

SUPERINTENDENT OF PUBLIC INSTRUCTION

CHAPTER 20

AVERAGE NUMBER BELONGING (ANB)

Sub-Chapter 1

ANB

- Rule 10.20.101 Definitions (IS HEREBY REPEALED)
- 10.20.102 Calculation of Average Number Belonging (ANB)
- 10.20.102A Budget Unit
- 10.20.103 Circumstances under Which the Regular ANB May Be Increased for the Ensuing School Fiscal Year
- 10.20.104 Anticipated Unusual Enrollment Increase - ANB Calculation
- 10.20.105 Unanticipated Enrollment Increase
- 10.20.106 Students Placed in Education Programs

Sub-Chapter 2

Foundation Payments

- Rule 10.20.201 Application for Increased State Aid (IS HEREBY REPEALED)
- 10.20.202 Procedure for Computing Additional State Aid (IS HEREBY REPEALED)
- 10.20.203 Foundation Program Schedules for Additional Staff (IS HEREBY REPEALED)

NEXT PAGE IS 10-301

Sub-Chapter 1

ANB

10.20.101 DEFINITIONS (IS HEREBY REPEALED) (History: Sec. 20-9-102, 20-9-346, 20-9-369, MCA; IMP, Sec. 20-9-313, 20-9-314, MCA; NEW, 1990 MAR p. 505, Eff. 3/16/90; AMD, 1992 MAR p. 214, Eff. 2/14/92; REP, 1994 MAR p. 1824, Eff. 7/8/94.)

10.20.102 CALCULATION OF AVERAGE NUMBER BELONGING (ANB)

(1) A school must receive accreditation from the board of public education before the pupils attending the school are eligible for ANB calculation purposes and for determining the BASE funding program for the district.

(2) The state superintendent of public instruction shall determine the appropriate budget units for the ANB calculation and the BASE funding program for the district. The enrollment generated by a budget unit that is subsequently closed shall be added to the enrollment of another budget unit of the district for the first year after the closing of a budget unit if students are enrolled in the other budget unit.

(3) If the school district has not received accreditation by the board of public education for students in grades 7 and 8 funded at the high school rate, the office of public instruction shall certify the regularly enrolled 7th and 8th grade students as elementary pupils for ANB purposes. The school district must budget accordingly.

(4) The official count of enrolled students, as defined in ARM 10.15.101, is taken on the first Monday in October and the 1st of February, or the first school day that follows the 1st of February if that date is not a school day. A school district may not count as enrolled a student who:

(a) has been absent for 11 consecutive pupil instruction days immediately prior to and including the official count date;

(b) has enrolled in another public school district;

(c) will not resume attendance according to notification received by the district;

(d) has had records transferred to another school; or

(e) is otherwise unable to continue in attendance.

(5) After a student is dropped from the rolls in accordance with (4), student absences will not be included for absence and attendance calculations, and student enrollment may not be considered in ANB calculations unless attendance is resumed on or before the date of the official count.

(6) For calculation of average daily attendance (ADA), a school district will report the number of enrolled students who are present and the number of enrolled students who are absent on the official fall and spring disaggregated enrollment and attendance data collection days.

(7) For purposes of the enrollment count described in (4):

(a) a kindergarten student enrolled in a program designed to provide less than 180 hours of pupil instruction time per school year is reported as enrolled but is excluded from eligibility for purposes of ANB. A kindergarten student enrolled in a program designed to provide 180 hours or more of pupil instruction time per school year is reported as enrolled and is included in eligibility for purposes of ANB.

(b) a student in grades 1 through 12 enrolled in a program designed to provide:

(i) less than 180 hours of pupil instruction time per school year is reported as enrolled but is excluded from eligibility for purposes of ANB;

(ii) 180 to 359 hours of pupil instruction time per school year is reported as part-time enrolled;

(iii) 360 or more hours of pupil instruction time per school year is reported as full-time enrolled.

(8) Homebound students, as defined in ARM 10.15.101, and students who are confined to a treatment, medical, or custodial facility may be counted as enrolled for ANB purposes if the student:

(a) is enrolled as defined in ARM 10.15.101 and is currently receiving organized and supervised pupil instruction as defined in 20-1-101, MCA;

(b) is in a home or facility which does not offer a regular educational program; and

(c) has instructional costs during the absences which are financed by the school district general fund.

(9) Trustees may apply for increased ANB for a student placed by the trustees, a state agency, or court in an accredited private education program if the trustees enter into a contract as provided in ARM 10.20.106.

(10) Extenuating circumstances for students who do not meet the criteria in (8)(a) through (c) but which would support a variance should be submitted to the superintendent of public instruction by a responsible school official prior to the official enrollment count date for consideration of inclusion of the student in the enrollment count for ANB purposes beyond the 10th day of absence.

(11) Trustees may apply for increased ANB for early graduates who are enrolled as of the first Monday of October as a senior in high school, the seventh semester of secondary school, and complete the graduation requirements prior to the February 1 enrollment count in accordance with 20-9-313, MCA, by filing a request with the state superintendent of public instruction stating the names of pupils which were not included in the February 1 enrollment count because they graduated early and the date of graduation. The application must be submitted by the deadline in ARM 10.20.103 preceding the year for which ANB is being calculated.

(12) The PIR days used for calculating ANB will be the number of PIR days, not to exceed seven, conducted by the school district in the school fiscal year immediately preceding the school year for which the BASE funding program payment will be received.

(13) If the school district fails to conduct the three PIR days for professional development required by 20-1-304, MCA, or does not conduct the PIR days for the purposes set out in ARM 10.65.101, the superintendent of public instruction shall:

(a) adjust the direct state aid to reflect the actual number of PIR days conducted;

(b) adjust the general fund, if needed, to comply with legal budget limitations and requirements; and

(c) adjust the guaranteed tax base aid payment to reflect the amount which the district would be eligible for based on the budget recalculated in (13)(b).

(14) A school district must conduct 90 days and a minimum of 360 hours of pupil instruction for a kindergarten program, 180 days and a minimum of 720 hours of pupil instruction for grades 1-3, and 180 days and a minimum of 1,080 hours of pupil instruction for grades 4-11, and 175 days and 1,050 hours for grade 12.

(a) If the school district fails to conduct the required number of days and the minimum number of hours, the superintendent of public instruction will reduce the direct state aid payments for the year in which the requirement was not met by 1/90th for each school day less than 180 school days.

(b) However, if a school district fails to conduct the minimum number of days by reason of one or more unforeseen emergencies as defined in 20-9-802, MCA, the superintendent of public instruction shall reduce the direct state aid payments by 1/180th for each school day less than the minimum required.

(c) The reduction of state funding will be prorated based on enrollment for the portion of the district, such as one class, school, or grade level, for which the district fails to conduct the minimum pupil instruction days and hours.

(15) For the purpose of determining the BASE funding program of a district, ANB will be calculated using the following method:

(a) the enrollment reported by the school district on the October and February enrollment report forms to the office of public instruction, pursuant to 20-9-311, MCA, will be averaged by budget unit. After subtracting the prekindergarten enrollment and one-half of the kindergarten enrollment and adjusting for part-time enrollment from each report, the average will be multiplied by the total of PIR days plus PI days and divided by 180 to determine ANB;

By budget unit: [(enrollment for first Monday in October + enrollment for February 1) - (kindergarten enrollment for students receiving less than 180 hours of pupil instruction time per school year) - (one-half kindergarten enrollment for students receiving 180 hours or more of pupil instruction time per school year) - (prekindergarten enrollment) - (part-time enrollment for students in grades 1 through 12 receiving less than 180 hours of pupil instruction time per school year) - (one-half of part-time enrollment for students in grades 1 through 12 receiving 180 - 359 hours of pupil instruction time per school year) - (enrolled students reaching 19 years of age by September 10 of the school year)] divided by 2 to get the average of the two enrollment counts by budget unit;

Then: average of two enrollment counts by budget unit, multiplied by the sum of PIR days plus PI days, divided by 180, rounded up to the next whole number, equals ANB.

(b) additional approved enrollment, as determined in ARM 10.20.103, will be added to the enrollment used to calculate the final ANB for BASE funding. (History: Sec. 20-9-102, 20-9-346, 20-9-369, MCA; IMP, Sec. 20-1-301, 20-1-302, 20-1-304, 20-7-117, 20-9-311, 20-9-313, 20-9-314, 20-9-805, MCA; NEW, 1990 MAR p. 505, Eff. 3/16/90; AMD, 1992 MAR p. 214, Eff. 2/14/92; AMD, 1994 MAR p. 1824, Eff. 7/8/94; AMD, 1996 MAR p. 2168, Eff. 8/9/96; AMD, 1998 MAR p. 1719, Eff. 6/26/98; AMD, 2000 MAR p. 632, Eff. 2/25/00; AMD, 2002 MAR p. 1662, Eff. 6/28/02; AMD, 2004 MAR p. 1613, Eff. 7/23/04.)

10.20.102A BUDGET UNIT (1) The 20 mile minimum described in 20-9-311(8), MCA, will be measured as the shortest passable route on a road between one school of the district and another school of the district or between a school of the district and the official boundary of an incorporated city or town located in the district.

(2) Those students in the 7th and 8th grade who are enrolled in programs which were approved and accredited by the board of public education will be considered high school pupils for ANB purposes and for determining the total per-ANB entitlement as provided in 20-9-306, MCA. The basic entitlement for the budget unit which includes those students will be prorated based on the percentage of total enrollment ANB in grade K-6 times the elementary basic entitlement and the percentage of total enrollment ANB in grades 7 and 8 in the accredited program times the high school basic entitlement. For purposes of the proration of the basic entitlement, the percentages of ANB will be rounded to the nearest whole percentage point before multiplying by the entitlement amount. (History: Sec. 20-9-102, MCA; IMP, Sec. 20-9-311, 20-9-313, 20-9-314, MCA; NEW, 1994 MAR p. 1824, Eff. 7/8/94; AMD & TRANS, 1996 MAR p. 2168, Eff. 8/9/96.)

10.20.103 CIRCUMSTANCES UNDER WHICH THE REGULAR ANB MAY BE INCREASED FOR THE ENSUING SCHOOL FISCAL YEAR (1) The board of trustees or the county superintendent will provide information requested by the superintendent of public instruction to establish the basis for an increase in ANB and the estimates or data required to determine the number of additional ANB to be approved for the situations as listed in 20-9-313, MCA, or special unanticipated circumstances resulting from the implementation of 20-9-311, MCA.

(2) A district that experiences an unanticipated enrollment increase after the beginning of the school fiscal year may apply to the superintendent of public instruction for an increase in the district direct state aid amount provided the unanticipated enrollment increase meets the requirements of ARM 10.20.105, and the district has adopted a budget amendment for the unanticipated enrollment increase in accordance with the provisions of 20-9-161 through 20-9-165, MCA, and ARM 10.22.201 through 10.22.206.

(a) Receipt of the adopted budget amendment resolution signed by the presiding officer of the trustees and the district clerk will be considered the request for additional state assistance.

(b) In order to be eligible to receive additional state assistance, the district must submit a petition for permission to adopt a budget amendment resolution due to an unanticipated enrollment increase to the superintendent of public instruction no later than May 31 of the school fiscal year to which the enrollment increase applies.

(3) Application for increased ANB shall be made to the superintendent of public instruction by June 1 for reasons provided in 20-9-313, MCA. The superintendent shall approve, disapprove, or adjust the application by the fourth Monday in June. (History: Sec. 20-3-106, 20-9-102, MCA; IMP, Sec. 20-9-311, 20-9-313, 20-9-314, MCA; NEW, 1990 MAR p. 505, Eff. 3/16/90; AMD, 1994 MAR p. 1824, Eff. 7/8/94; AMD, 1996 MAR p. 2168, Eff. 8/9/96; AMD, 2000 MAR p. 632, Eff. 2/25/00; AMD, 2002 MAR p. 1740, Eff. 6/28/02.)

10.20.104 ANTICIPATED UNUSUAL ENROLLMENT INCREASE - ANB CALCULATION (1) School district trustees may apply to the superintendent of public instruction for increased ANB for unusual elementary or high school enrollment increases that exceed 6% of the enrollment in the fiscal year prior to the year for which the increase is requested. Elementary district and high school district calculations are always separate. In the case of a K-12 district, make separate enrollment calculations for the elementary and high school levels of the K-12 district.

(2) The eligibility for ANB for the ensuing school fiscal year due to anticipated unusual elementary or high school enrollment increases will be computed as follows pursuant to 20-9-314, MCA:

(a) Estimate the district's anticipated enrollment for the next October count using information known to be accurate at the time the estimate is made. Prekindergarten enrollment is not included in the estimate. One-half of the anticipated kindergarten enrollment and one-half of the anticipated part-time enrollment is subtracted. This is anticipated enrollment (AE).

(b) Determine the enrollment counts for October and February of the current school year adjusted to remove one-half of the kindergarten enrollment and one-half of the part-time enrollment. The average of the October and February adjusted enrollment counts is current year enrollment (CYE).

(c) Determine the anticipated enrollment increase (AEI) by subtracting the current year enrollment from the anticipated enrollment. $AEI = AE - CYE$.

(d) Determine the anticipated increase in enrollment as a percentage of the current year enrollment by dividing the AEI calculated in (2)(c) by the current year enrollment. $AEI/CYE = \% \text{ increase}$.

(e) If the anticipated increase in enrollment as a percentage of the current year enrollment calculated in (2)(d) exceeds 6%, the superintendent of public instruction shall approve increased ANB used to establish the ensuing year's BASE funding program and entitlement calculations in accordance with 20-9-314(5), MCA.

(3) The increased ANB for the ensuing fiscal year will be calculated as follows:

(a) Determine AEI in excess of 6% of CYE. $AEI - (.06 \times CYE)$. Round to nearest hundredth (.xx).

(b) Determine AEI for each budget unit by subtracting CYE by budget unit from AE by budget unit. $AEI \text{ by budget unit} = AE \text{ by budget unit} - CYE \text{ by budget unit}$. If the district has one budget unit, go to (3)(d).

(c) Prorate anticipated enrollment increase exceeding 6% of CYE among the district's budget units by:

(i) calculating the ratio of AEI for each budget unit as calculated in (3)(b) to the total AEI for the district calculated in (2)(c); and

(ii) multiplying AEI in excess of 6% of CYE ($AEI - (.06 \times CYE)$) by the ratio calculated in (3)(c)(i) for each budget unit within the district. Round to the nearest hundredth (.xx).

(d) Add the CYE by budget unit and the AEI in excess of 6% by budget unit as calculated in (3)(c).

(e) Multiply the sum calculated in (3)(d) by the total of PI days and PIR days approved for the current year and divide by 180 for each budget unit. Round the ANB up to the nearest whole number.

(4) In accordance with 20-9-314(6), MCA, the office of public instruction reviews the ANB of a district that used anticipated enrollment figures, as follows:

(a) ANB is recalculated in accordance with (2), using actual enrollment as of the 1st Monday in October in place of the anticipated enrollment.

(b) If the ANB recalculated in (4)(a) based on the actual October enrollment equals or exceeds the ANB calculated in (3)(e), the anticipated unusual enrollment increase materialized and the district is entitled to the increased BASE funding and entitlements approved by the superintendent of public instruction in (2)(e).

(c) If the ANB recalculated in (4)(a) based on the actual October enrollment is less than the ANB used for funding, (2) will be used to recalculate ANB using actual enrollment as of the next February count in place of the anticipated enrollment.

(d) If the ANB recalculated in (4)(c) based on the actual February enrollment equals or exceeds the ANB calculated in (3)(e), the anticipated unusual enrollment increase materialized and the district is entitled to the increased BASE funding and entitlements approved by the superintendent of public instruction in (2)(e).

(e) If the ANB recalculated in (4)(c) based on the actual February enrollment is less than the ANB used for funding, the anticipated unusual enrollment increase did not materialize and the office of public instruction makes the following adjustments:

(i) the district's general fund budget of the current year will be adjusted, as needed, to comply with legal limitations and requirements using the higher of the ANB recalculated in (4)(a) or (4)(c); and

(ii) direct state aid and guaranteed tax base subsidies will be adjusted to reflect the amount which should be paid on the district's adjusted budget. (History: Sec. 20-3-106, 20-9-102, MCA; IMP, Sec. 20-9-166, 20-9-311, 20-9-314, MCA; NEW, 1992 MAR p. 214, Eff. 2/14/92; AMD, 1994 MAR p. 1824, Eff. 7/8/94; AMD, 1996 MAR p. 2168, Eff. 8/9/96; AMD, 2000 MAR p. 632, Eff. 2/25/00.)

10.20.105 UNANTICIPATED ENROLLMENT INCREASE (1) If a budget amendment resulting from an unanticipated increased enrollment has been adopted pursuant to 20-9-161 through 20-9-166, MCA, the eligibility for and number of increased ANB for the current school fiscal year due to an unanticipated elementary or high school enrollment increase will be computed pursuant to 20-9-314, MCA. Elementary district and high school district calculations are always separate. In the case of a K-12 district, make separate enrollment calculations for the elementary and high school levels of the K-12 district.

(a) The enrollment determined from the enrollment reported on the fall enrollment report (Form FR-4) or the spring enrollment report form for official reporting is defined as the "current year enrollment" (CYE) for purposes of this calculation. CYE must be adjusted by subtracting the prekindergarten enrollment, one-half of the kindergarten enrollment and one-half of the part-time enrolled students reported. However, kindergarten enrollment for a variance which provides 90 full days of instruction in a single semester may be counted as one instead of one-half.

(b) Determine the prior year enrollment. For purposes of this calculation, "prior year enrollment" (PYE) will mean the average enrollment used for ANB purposes calculated from the official October and February counts of the year preceding the year the increase of enrollment is being calculated, adjusted as described in (1)(a).

(c) Determine the enrollment increase by subtracting the prior year enrollment from the current year enrollment. $EI = CYE - PYE$.

(d) Determine the enrollment increase as a percentage of the prior year enrollment by dividing the enrollment increase calculated in (1)(c) by the prior year enrollment. $EI/PYE = \%$.

(e) If the enrollment increase as a percentage of the prior year enrollment calculated in (1)(d) exceeds 6%, the superintendent of public instruction will approve an increase in ANB used to establish the current year's basic entitlement and total per-ANB entitlement in accordance with 20-9-314(5), MCA.

(2) The increased ANB for the current fiscal year is calculated as follows:

(a) Determine EI in excess of 6% of PYE. $EI - (.06 \times PYE)$. Round the calculation to the nearest hundredth (.xx).

(b) Determine EI for each budget unit by subtracting PYE by budget unit from CYE by budget unit. $EI \text{ by budget unit} = CYE \text{ by budget unit} - PYE \text{ by budget unit}$.

(c) Prorate enrollment increase exceeding 6% of PYE calculated in (2)(a) among the budget units by:

(i) calculating the ratio of EI for each budget unit as calculated in (2)(b) to the total EI for the district calculated in (1)(c). If the EI calculated for a budget unit in (2)(b) is negative (enrollment loss), omit the budget unit from the proration and add the absolute value of the negative EI by budget unit to the EI determined in (1)(c); and

(ii) multiplying the EI in excess of 6% of PYE calculated in (2)(a) by the ratio calculated in (2)(c)(i) for each budget unit within the district. Round the calculation to the nearest hundredth (.xx).

(d) Add the PYE by budget unit and the EI in excess of 6% by budget unit as calculated in (2)(c)(ii).

(e) Multiply the sum calculated in (2)(d) by the total of PI days and PIR days approved for the current year, and divide the total by 180.

(f) Round the result calculated in (2)(e) up to the next whole number to determine ANB. (History: Sec. 20-9-102, MCA; IMP, Sec. 20-9-313, 20-9-314, MCA; NEW, 1996 MAR p. 2168, Eff. 8/9/96; AMD, 2000 MAR p. 632, Eff. 2/25/00; AMD, 2002 MAR p. 1740, Eff. 6/28/02.)

10.20.106 STUDENTS PLACED IN EDUCATION PROGRAMS (1) The state superintendent of public instruction recognizes that a Montana state agency or court may place a Montana student in a facility located within a school district that is not the student's district of residence. The state superintendent of public instruction also recognizes that a district may contract with a private or public entity for the provision of a Montana resident student's education. If a district contracts and pays for the provision of a Montana student's education, the district may include that student in the district's enrollment count for purposes of calculating ANB, provided:

(a) the student, who otherwise qualifies for ANB, is enrolled at district expense in the district on the count date;

(b) the district retains written verification from the contractor documenting the student's participation in the education program on the count date;

(c) either:

(i) the contractor is accredited by the Montana board of public education; or

(ii) the student's education program is under the direction and supervision of the district and is provided by district staff or is provided pursuant to a special education individualized education program implemented by the district, except that the trustees' placement of a resident student in a private, nonsectarian day treatment program and the state's placement of a student in a county or regional detention center are subject to (5);

(d) the contractor is a facility, center, home or other program licensed by and located within the state of Montana, excluding licensed day care centers; and

(e) the student is a resident of the district or meets the attendance with mandatory approval provisions of 20-5-321(1)(d) or (1)(e), MCA.

(2) Payments made to contractors described in (1) are not considered tuition for purposes of applying the provisions in Title 20, chapter 5, part 3, MCA. When a district contracts for a Montana student's education, the cost for such services shall be paid from the district's general fund or from federal funds, provided the cost is an allowable use of the federal funds. Except as provided in (5), districts shall not use the tuition fund for payments to private education programs.

(3) If a student is not a resident of the district of attendance, the district may charge tuition in accordance with Montana law (see ARM 10.10.301).

(4) In accordance with 20-7-422, 20-7-402(4) and 20-5-323(5), MCA, when a child is placed by a Montana state agency in an out-of-state residential facility, the state agency making the placement shall be responsible for paying the education costs of the placement.

(5) The district may not include for purposes of calculating ANB:

(a) a student who is placed in a private, nonsectarian day treatment program. Districts may use the district tuition fund to pay for educational services and may claim an ANB reimbursement payment under provisions of 20-5-324, MCA, and ARM 10.10.106 for a student placed under an IEP in a day treatment program at a private, nonsectarian school located in or outside the child's district of residence; and

(b) a student who has been placed in a county or regional detention facility, which is required under 41-5-1807< MCA, to provide educational programs for youth at county expense. Pursuant to 20-9-130, MCA, districts may use the district tuition fund to pay for detention center educational services charged pursuant to 41-5-1807, MCA. (History: Sec. 20-7-419, MCA; IMP, Sec. 20-5-321, MCA; NEW, 2002 MAR p. 1662, Eff. 6/14/02; AMD, 2003 MAR p. 395, Eff. 3/14/03; AMD, 2004 MAR p. 1613, Eff. 7/23/04.)

Sub-Chapter 2

Foundation Payments

10.20.201 APPLICATION FOR INCREASED STATE AID (IS HEREBY REPEALED) (History: Sec. 20-9-166, 20-9-314, MCA; IMP, Sec. 20-9-166, 20-9-314, MCA; NEW, 1992 MAR p. 215, Eff. 2/14/92; AMD, 1994 MAR p. 1824, Eff. 7/8/94; REP, 1996 MAR p. 2168, Eff. 8/9/96.)

10.20.202 PROCEDURE FOR COMPUTING ADDITIONAL STATE AID (IS HEREBY REPEALED) (History: Sec. 20-9-166, 20-9-314, MCA; IMP, Sec. 20-9-166, 20-9-314, MCA; NEW, 1992 MAR p. 215, Eff. 2/14/92; AMD, 1992 MAR p. 2142, Eff. 9/25/92; AMD, 1994 MAR p. 1824, Eff. 7/8/94; REP, 1996 MAR p. 2168, Eff. 8/9/96.)

10.20.203 FOUNDATION PROGRAM SCHEDULES FOR ADDITIONAL STAFF (IS HEREBY REPEALED) (History: Sec. 20-3-106, MCA; IMP, Sec. 20-9-318, 20-9-322, MCA; NEW, 1992 MAR p. 215, Eff. 2/14/92; REP, 1994 MAR p. 1824, Eff. 7/8/94.)